GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:4441
ANSWERED ON:25.04.2005
POLICY CHANGES
Mehta Shri Alok Kumar;Yadav Shri Sita Ram

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government has decided to make major policy changes that would remove ali restrictions and impediments coming in the way of farmers having access to markets where they opt in getting the best prices; and

(b) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI KANTILAL BHURIA):

(a) and (b) Yes, sir. Under the existing law dealing with agricultural markets (APMC Act). The farmer is restricted from entering into direct contract with any manufacturer or retailer as the produce is required to be canalised through regulated markets. This restriction is acting as disincentives to farmer, retail-trade and industries. The State Governments have, therefore, been advised to make changes in the APMC Act to allow direct marketing and contract farming and to permit setting up of competitive markets. The aim of the reform is to provide freedom to farmers to sell their produce in the markets providing better prices/services.